

## THE MANAGER

## INDUSTRY GROWTH

By Kathy Barrett and Fay Benson

When milk price didn't cover cost of production, Vaughn and Susan Sherman in 1997 converted to pasture-based management, that has helped the farm thrive today.

## Conversion to an organic, pasture system

After considering auctioning their farm, Vaughn and Susan Sherman converted to an organic, grazing operation that is thriving and has attracted new generations back to the farm.

"You can't keep doing the same thing over and over and expect to have different results," said Vaughn Sherman of Jerry Dell Farms in Cortland, NY.

Vaughn knows of what he speaks. He and his wife Susan have farmed for over thirty years and seen a lot of change on their farm. They started out in 1976 milking 100 cows with fairly conventional facilities and management practices. By 1985 they milked 150 cows, and a milking parlor fire led to a new facility and expansion to 350 cows. The next 10 years they farmed intensively using new technology, including rbST, to obtain the high-

est herd average in the County. But by 1997, the Shermans were struggling to make ends meet and were producing milk below the cost of production. They were counseled to sell the farm before it was too late, and Vaughn called the auctioneer.

Fast-forward to 2012 and Jerry Dell Farm is a thriving, profitable business where two sons and two nephews joined the business. They milk 350 cows on the home-farm and another 150 on a satellite farm. So what happened? To hear Vaughn and Susan

tell it, it was simply a choice not to do the same thing over and over and expect a different result. Before the auctioneer was able to call the Shermans back they had connected with a local grazing advocate. Vaughn and Susan knew they had to make a drastic change to survive, so they were willing to take a chance on grazing.

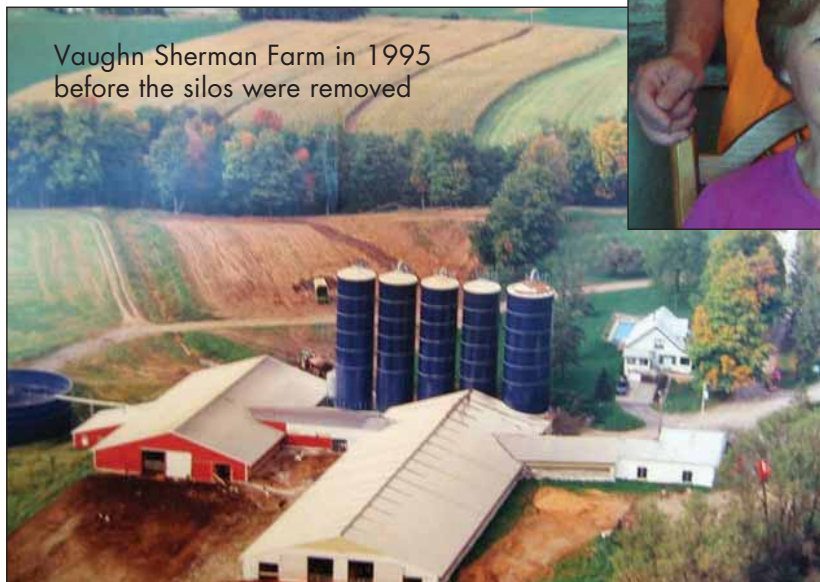
"I grew up on a grazing farm. That's how my father farmed," Vaughn said. "It didn't seem all that foreign to me."

After consulting a grazing advocate, running the numbers, and most importantly talking to other grazing farmers, the Shermans made the leap to a pasture-based sys-

Vaughn and Susan  
Sherman of  
Jerry Dell Farms



Vaughn Sherman Farm in 1995  
before the silos were removed



### FYI

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tem. The success of this system was the first step to revitalize Jerry Dell Farm. The Shermans adjusted and adapted the system to suit their land-base and management style.

Vaughn said that he was managing his farm to maximize production, a way that works for many operators. The problem was that it didn't work for him. Managing a grazing operation seems to fit his abilities better than the production style that he was operating in 1995.

The next change came in 2001 when Jerry Dell became a certified organic dairy. The grazing system lent itself to this change. Vaughn said 90 percent of his herd health issues disappeared when he went to grazing, so he had few if any treated cows. The requirements to limit antibiotic use for organic production were not a problem. The increased profitability and stability of milk price in the organic market is something the Shermans appreciate. They also enjoy the quality of life the organic grazing system affords them. They credit

the increased profitability and quality of life to entice their sons and nephews back to the farm.

The Shermans have this advice to share with farmers who are looking to position their farms for the future:

- Do something different.
- Be open to new ideas if what you're doing isn't working.
- Listen to consultants and advisors, but make your own decisions. No one knows your farm better than you. Trust your gut.
- Talk to other farmers who have successfully implemented a change you are considering. They can be your best source of information.
- Push the pencil, plan, run the numbers. The Shermans participate in the Cornell Dairy Farm Business Summary to track their financial progress and benchmark.
- Have a good team in place and include them in the process.

Expansion through steps at Fouts Dairy  
*continued from page 31*

to accommodate the upcoming third expansion.

By 2008, the feeding and milking systems were set to handle the third phase of the barn expansion. By doubling the new facility to 570 feet, the satellite barns were completely eliminated. The exercise lots were also eliminated to meet CAFO regulations. A manure storage system rounded out this phase. The farm was now equipped to milk 350 cows.

The original plan called for the new facility to be filled via internal herd growth. But the milk price crash of 2009 pushed the Fouts to fill the barn more quickly through purchased animals. Over a course of four to five months they bought 50 heifers. Their vet was instrumental in helping them choose herds that were healthy and well managed. It paid off with no incidents of disease. The Fouts reached their goal of 350 milking cows.

A new calf facility for calves up to four months was built in 2011. The next step in the process will focus on the feed storage system.

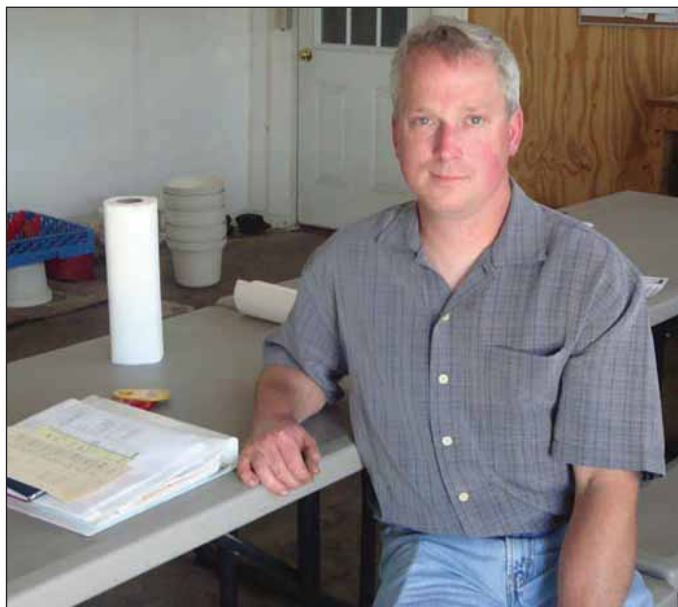
The Fouts say they are glad they expanded, but Paul advises others who are planning a stepwise expansion to keep the end in mind. Plans will change and improve as you implement the expansion. Having a vision of the desired end result allows pieces of the plan to come together, with each phase laying the groundwork for the next.

### Other advice the Fouts offer:

- Visit other farms, as many as possible.
- Talk to producers. Paul's Dairy Fellows network was extremely beneficial in this regard. But any farmer can build a network by attending dairy meetings and events.
- Form a profit team or advisory team during the planning process.

Ideally include a farmer you respect who has been through a similar expansion.

- Seek out resources—engage agriservice consultants and professionals.
- Attend educational events, conferences, seminars and workshops.
- Find a contractor who is willing to work on a step-wise building project that integrates older facilities. The Fouts say they feel fortunate they had such contractor. □



Paul Fouts of Fouts Dairy Farm in Cortland NY says he is glad they expanded.